



DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIRECTOR'S OFFICE
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<http://dhhs.nv.gov>

August 15, 2019

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Accord Healthcare
1009 Slater Rd # 210B,
Durham, NC 27703

NOTICE OF NONCOMPLIANCE WITH NEVADA REVISED STATUTES (NRS) 439B.635

To Whom it May Concern,

Nevada Revised Statutes (NRS) 439B.635 requires manufacturers that produce essential diabetes drugs defined by the Nevada Department of Health and Human Services (DHHS) to submit information to DHHS. Additionally, if a drug on the list had a significant price increase as outlined in NRS 439B.640, manufacturers are also required to submit a report describing the reasons for the increase in price.

Your organization is defined as the labeler for drugs included in the 2019 DHHS Essential Diabetes Drug List for which a report was due on April 1, 2019. NRS 439B.695 gives DHHS the authority to impose a penalty of \$5,000 per day to drug manufacturers for failure to comply with these requirements. Based on your organization's noncompliance for 135 days, your organization could be assessed a penalty of up to \$675,000. DHHS identified that Nevada Medicaid expended over \$74,990 for the Essential Diabetes Drugs produced by your company between June 2017 and May 2018. The 2019 list of drugs for which you are responsible to report and templates and instructions can be found online at <http://drugtransparency.nv.gov>.

Respond in writing within 10 business days by providing an explanation of why this Nevada law is not applicable to your organization or in the alternative, provide a plan with a specific timeframe of how your organization will promptly come into compliance with this law within 30 days.

If you have any question, please contact Scott Jones at (775) 684-4047 or by email at scottjones@health.nv.gov.

Sincerely,

A handwritten signature in blue ink that reads "Richard Whitley".

Richard Whitley, MS
Director

Cc: Linda Anderson, Chief Deputy Attorney General
Scott Jones, Division of Public and Behavioral Health